



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2011 Biennium

Bill #	HB0577	Title:	Clarifying parents as scholars program
Primary Sponsor:	Caferro, Mary	Status:	As Introduced

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>	<u>FY 2012 Difference</u>	<u>FY 2013 Difference</u>
Expenditures:				
General Fund	\$522,603	\$522,603	\$533,668	\$549,060
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u><u>(\$522,603)</u></u>	<u><u>(\$522,603)</u></u>	<u><u>(\$533,668)</u></u>	<u><u>(\$549,060)</u></u>

Description of fiscal impact:

HB 577 authorizes the Montana parents as scholars program.

FISCAL ANALYSIS

Assumptions:

Department of Public Health and Human Services

1. The Montana parents as scholars program was previously eligible for TANF funding as a part of the work activities program. It is assumed that this bill intends to assist parents who continue to meet TANF eligibility requirements, however, have completed the allowable 12-month education participation. This bill will provide monthly assistance to these parents.
2. The department is unable to estimate how many households would be eligible for this program; therefore, for purposes of this fiscal note, it is assumed that the Montana parents as scholars program will be limited to 60 households.
3. Eligibility for the program will be for a 12-month period.

4. Participants in this program would receive assistance payments. These will be based on the same payment standards used in the TANF cash assistance program. The monthly benefit amount for a household of three is \$472 or \$5,664 per year, for a total of \$339,840 (\$5,664 x 60 households = \$339,840)
5. Half of the parents are estimated to require child care over a varied schedule of time. The average annual cost of child care per family for FY 2008 is \$3,275 for 30 families, for a total of \$98,250.
6. Supportive services for this program is estimated at \$1,250 per household per 12-month period, for a total of \$75,000 (\$1,250 X 60 households = \$75,000). This would include funds to help pay for unexpected miscellaneous expenditures, such as car repair and uniforms, that the participant may incur in order to attend school.
7. 0.25 FTE program officer, pay band 6, would be hired to provide the eligibility, case management and reporting for a total of \$9,513 each year.
8. A 2.5% inflationary factor is included in FY 2012 & FY 2013.

Office of Public Instruction (OPI)

9. There is no fiscal impact to OPI or state support for K-12 schools as a result of this proposal.

	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>	<u>FY 2012 Difference</u>	<u>FY 2013 Difference</u>
<u>Fiscal Impact:</u>				
FTE	0.25	0.25	0.25	0.25
<u>Expenditures:</u>				
Personal Services	\$9,513	\$9,513	\$9,751	\$9,995
Operating Expenses	<u>\$513,090</u>	<u>\$513,090</u>	<u>\$525,917</u>	<u>\$539,065</u>
TOTAL Expenditures	<u><u>\$522,603</u></u>	<u><u>\$522,603</u></u>	<u><u>\$535,668</u></u>	<u><u>\$549,060</u></u>
<u>Funding of Expenditures:</u>				
General Fund (01)	\$522,603	\$522,603	\$535,668	\$549,060
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	(\$522,603)	(\$522,603)	(\$535,668)	(\$549,060)

Technical Notes:

Montana parents as scholars as proposed in this bill will not be eligible for federal funds as noted in Section 1 (2)(a).

Sponsor's Initials

Date

Budget Director's Initials

Date